

Union Calendar No. 137

108TH CONGRESS
1ST SESSION

H. R. 2535

[Report No. 108–242, Part I]

To reauthorize and improve the program authorized by the Public Works
and Economic Development Act of 1965.

IN THE HOUSE OF REPRESENTATIVES

JUNE 19, 2003

Mr. LATOURETTE (for himself, Ms. NORTON, Mr. YOUNG of Alaska, and Mr. OBERSTAR) introduced the following bill; which was referred to the Committee on Transportation and Infrastructure, and in addition to the Committee on Financial Services, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned

JULY 25, 2003

Reported from the Committee on Transportation and Infrastructure with an amendment

[Strike out all after the enacting clause and insert the part printed in italic]

JULY 25, 2003

Referral to the Committee on Financial Services extended for a period ending not later than September 2, 2003

SEPTEMBER 2, 2003

Additional sponsors: Mr. HALL, Mr. McHUGH, and Mr. ACEVEDO-VILÁ

SEPTEMBER 2, 2003

Committee on Financial Services discharged; committed to the Committee of the Whole House on the State of the Union and ordered to be printed

A BILL

To reauthorize and improve the program authorized by the
Public Works and Economic Development Act of 1965.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*

3 **SECTION 1. SHORT TITLE; TABLE OF CONTENTS.**

4 (a) *SHORT TITLE.*—*This Act may be cited as the*
5 *“Economic Development Administration Reauthorization*
6 *Act of 2003”.*

7 (b) *TABLE OF CONTENTS.*—

Sec. 1. Short title; table of contents.

Sec. 2. Amendments to Public Works and Economic Development Act of 1965.

TITLE I—GENERAL PROVISIONS

Sec. 101. Findings and declarations.

Sec. 102. Definitions.

Sec. 103. Establishment of economic development partnerships.

Sec. 104. Coordination.

TITLE II—GRANTS FOR PUBLIC WORKS AND ECONOMIC DEVELOPMENT

Sec. 201. Grants for planning.

Sec. 202. Cost sharing.

Sec. 203. Supplementary grants.

Sec. 204. Regulations on relative needs and allocations.

Sec. 205. Grants for training, research, and technical assistance.

Sec. 206. Prevention of unfair competition.

Sec. 207. Grants for economic adjustment.

Sec. 208. Use of funds in projects constructed under projected cost.

Sec. 209. Special impact areas.

Sec. 210. Performance awards.

Sec. 211. Planning performance awards.

Sec. 212. Subgrants.

Sec. 213. Brownfields redevelopment.

Sec. 214. Brightfields demonstration program.

*TITLE III—COMPREHENSIVE ECONOMIC DEVELOPMENT
STRATEGIES*

Sec. 301. Comprehensive economic development strategies.

TITLE IV—ECONOMIC DEVELOPMENT DISTRICTS

Sec. 401. Incentives.

Sec. 402. Provision of comprehensive economic development strategies to regional commissions.

TITLE V—ADMINISTRATION

Sec. 501. Economic development information clearinghouse.

Sec. 502. Businesses desiring Federal contracts.

Sec. 503. Performance evaluations of grant recipients.

Sec. 504. Conforming amendments.

TITLE VI—MISCELLANEOUS

Sec. 601. Relationship to assistance under other law.

Sec. 602. Sense of Congress regarding economic development representatives.

TITLE VII—FUNDING

Sec. 701. Authorization of appropriations.

**1 SEC. 2. AMENDMENTS TO PUBLIC WORKS AND ECONOMIC
2 DEVELOPMENT ACT OF 1965.**

3 *Except as otherwise expressly provided, whenever in*
4 *this Act an amendment or repeal is expressed in terms of*
5 *an amendment to, or a repeal of, a section or other provi-*
6 *sion, the reference shall be considered to be made to a section*
7 *or other provision of the Public Works and Economic Devel-*
8 *opment Act of 1965 (42 U.S.C. 3121 et seq.).*

9 TITLE I—GENERAL PROVISIONS

10 SEC. 101. FINDINGS AND DECLARATIONS.

11 *Section 2 (42 U.S.C. 3121) is amended to read as fol-*
12 *lows:*

13 “SEC. 2. FINDINGS AND DECLARATIONS.

14 *“(a) FINDINGS.—Congress finds the following:*

1 “(1) *There continue to be areas experiencing*
2 *chronic high unemployment, underemployment, out-*
3 *migration, and low per capita incomes, as well as*
4 *areas facing sudden and severe economic dislocations*
5 *due to structural economic changes, changing trade*
6 *patterns, certain Federal actions (including environ-*
7 *mental requirements that result in the removal of eco-*
8 *nomics activities from a locality), and natural disas-*
9 *ters.*

10 “(2) *Economic growth in our Nation, States, cit-*
11 *ies, and rural areas is produced by expanding eco-*
12 *nomics opportunities, expanding free enterprise*
13 *through trade, developing and strengthening public*
14 *infrastructure, and creating a climate for job creation*
15 *and business development.*

16 “(3) *The goal of Federal economic development*
17 *programs is to raise the standard of living for all*
18 *citizens and increase the wealth and overall rate of*
19 *growth of the economy by encouraging communities to*
20 *develop a more competitive and diversified economic*
21 *base by—*

22 “(A) *creating an environment that promotes*
23 *economic activity by improving and expanding*
24 *public infrastructure;*

1 “(B) promoting job creation through in-
2 creased innovation, productivity, and entrepre-
3 neurship; and

4 “(C) empowering local and regional com-
5 munities experiencing chronic high unemploy-
6 ment and low per capita income to develop pri-
7 vate sector business and attract increased private
8 sector capital investment.

9 “(4) While economic development is an inher-
10 ently local process, the Federal Government should
11 work in partnership with public and private local, re-
12 gional, tribal, and State organizations to maximize
13 the impact of existing resources and enable regions,
14 communities, and citizens to participate more fully
15 in the American dream and national prosperity.

16 “(5) In order to avoid duplication of effort and
17 achieve meaningful, long-lasting results, Federal,
18 State, tribal, and local economic development activi-
19 ties should have a clear focus, improved coordination,
20 a comprehensive approach, and simplified and con-
21 sistent requirements.

22 “(6) Federal economic development efforts will be
23 more effective if they are coordinated with, and build
24 upon, the trade, workforce investment, transportation,
25 and technology programs of the United States.

1 “(b) *DECLARATIONS.*—*In order to promote a strong*
 2 *and growing economy throughout the United States, Con-*
 3 *gress declares the following:*

4 “(1) *Assistance under this Act should be made*
 5 *available to both rural- and urban-distressed commu-*
 6 *nities.*

7 “(2) *Local communities should work in partner-*
 8 *ship with neighboring communities, the States, In-*
 9 *dian tribes, and the Federal Government to increase*
 10 *their capacity to develop and implement comprehen-*
 11 *sive economic development strategies to alleviate eco-*
 12 *nomie distress and enhance competitiveness in the*
 13 *global economy.*

14 “(3) *Whether suffering from long-term distress or*
 15 *a sudden dislocation, distressed communities should*
 16 *be encouraged to support entrepreneurship to take ad-*
 17 *vantage of the development opportunities afforded by*
 18 *technological innovation and expanding newly opened*
 19 *global markets.”.*

20 **SEC. 102. DEFINITIONS.**

21 (a) *ELIGIBLE RECIPIENT.*—Section 3(4)(A) (42
 22 *U.S.C. 3122(4)(A)) is amended—*

23 (1) *by striking clause (i) and redesignating*
 24 *clauses (ii) through (vii) as clauses (i) through (vi),*
 25 *respectively; and*

1 (2) *in clause (iv) (as so redesignated) by insert-*
 2 *ing “, including a special purpose unit of a State or*
 3 *local government engaged in economic or infrastruc-*
 4 *ture development activities,” after “State”.*

5 (b) *REGIONAL COMMISSIONS.—Section 3 (42 U.S.C.*
 6 *3122) is amended—*

7 (1) *by redesignating paragraphs (8), (9), and*
 8 *(10) as paragraphs (9), (10), and (11), respectively;*
 9 *and*

10 (2) *by inserting after paragraph (7) the fol-*
 11 *lowing:*

12 “(8) *REGIONAL COMMISSIONS.—The term ‘Re-*
 13 *gional Commissions’ means the following entities:*

14 “(A) *The Appalachian Regional Commis-*
 15 *sion established under chapter 143 of title 40,*
 16 *United States Code.*

17 “(B) *The Delta Regional Authority estab-*
 18 *lished under subtitle F of the Consolidated Farm*
 19 *and Rural Development Act (7 U.S.C. 2009aa et*
 20 *seq.).*

21 “(C) *The Denali Commission established*
 22 *under the Denali Commission Act of 1998 (42*
 23 *U.S.C. 2131 note; 112 Stat. 2681–637 et seq.).*

24 “(D) *The Northern Great Plains Regional*
 25 *Authority established under subtitle F of the*

1 *Consolidated Farm and Rural Development Act*
 2 *(7 U.S.C. 2009bb et seq.).”.*

3 (c) *UNIVERSITY CENTER.*—*Section 3 (42 U.S.C. 3122)*
 4 *is amended by adding at the end the following:*

5 “(12) *UNIVERSITY CENTER.*—*The term ‘univer-*
 6 *sity center’ means an institution of higher education*
 7 *or a consortium of institutions of higher education es-*
 8 *tablished as a University Center for Economic Devel-*
 9 *opment under section 207(a)(2)(D).”.*

10 ***SEC. 103. ESTABLISHMENT OF ECONOMIC DEVELOPMENT***
 11 ***PARTNERSHIPS.***

12 *Section 101 (42 U.S.C. 3131) is amended—*

13 (1) *in subsection (b) by striking “and multi-*
 14 *State regional organizations” and inserting “multi-*
 15 *State regional organizations, and nonprofit organiza-*
 16 *tions”; and*

17 (2) *in subsection (d)(1) by striking “adjoining”*
 18 *each place it appears.*

19 ***SEC. 104. COORDINATION.***

20 *Section 103 (42 U.S.C. 3132) is amended—*

21 (1) *by inserting “(a) IN GENERAL.—” before*
 22 *“The Secretary”;*

23 (2) *in subsection (a) (as so designated) by insert-*
 24 *ing “Indian tribes,” after “districts,”; and*

25 (3) *by adding at the end the following:*

1 “(b) *MEETINGS.*—To carry out the responsibilities in
 2 subsection (a), or for any other purpose related to economic
 3 development activities, the Secretary may convene meetings
 4 with Federal agencies, State and local governments, eco-
 5 nomic development districts, Indian tribes, and other ap-
 6 propriate planning and development organizations.”.

7 ***TITLE II—GRANTS FOR PUBLIC***
 8 ***WORKS AND ECONOMIC DE-***
 9 ***VELOPMENT***

10 ***SEC. 201. GRANTS FOR PLANNING.***

11 Section 203(d) (42 U.S.C. 3143(d)) is amended—

12 (1) in paragraph (1) by inserting “, to the max-
 13 imum extent practicable,” after “developed” the sec-
 14 ond place it appears;

15 (2) by striking paragraph (3) and inserting the
 16 following:

17 “(3) *COORDINATION.*—Before providing assist-
 18 ance for a State plan under this section, the Secretary
 19 shall consider the extent to which the State will con-
 20 sider local and economic development district plans.”;
 21 and

22 (3) in paragraph (4)—

23 (A) by striking “and” at the end of sub-
 24 paragraph (C);

1 (B) by redesignating subparagraph (D) as
 2 subparagraph (E); and
 3 (C) by adding after subparagraph (C) the
 4 following:
 5 “(D) assist in carrying out a State’s work-
 6 force investment strategy; and”.

7 **SEC. 202. COST SHARING.**

8 (a) *FEDERAL SHARE*.—Section 204(a) (42 U.S.C.
 9 3144(a)) is amended to read as follows:

10 “(a) *FEDERAL SHARE*.—The Secretary shall issue reg-
 11 ulations to establish the Federal share of the cost of projects
 12 carried out under this title based on the relative needs of
 13 the areas in which the projects will be located. Except as
 14 provided in subsection (c), the Federal share of the cost of
 15 any project carried out under this title shall not exceed 80
 16 percent.”.

17 (b) *NON-FEDERAL SHARE*.—Section 204(b) (42 U.S.C.
 18 3144(b)) is amended by inserting “assumptions of debt,”
 19 after “equipment,”.

20 (c) *INCREASE IN FEDERAL SHARE*.—Section 204 (42
 21 U.S.C. 3144) is amended by adding at the end the following:

22 “(c) *INCREASE IN FEDERAL SHARE*.—

23 “(1) *INDIAN TRIBES*.—In the case of a grant to
 24 an Indian tribe for a project under this title, the Sec-
 25 retary may increase the Federal share above the per-

1 centage specified in subsection (a) up to 100 percent
2 of the cost of the project.

3 “(2) *CERTAIN STATES, POLITICAL SUBDIVISIONS,*
4 *AND NONPROFIT ORGANIZATIONS.—In the case of a*
5 *grant to a State, or a political subdivision of a State,*
6 *that the Secretary determines has exhausted its effec-*
7 *tive taxing and borrowing capacity, or in the case of*
8 *a grant to a nonprofit organization that the Sec-*
9 *retary determines has exhausted its effective bor-*
10 *rowing capacity, the Secretary may increase the Fed-*
11 *eral share above the percentage specified in subsection*
12 *(a) up to 100 percent of the cost of the project.”.*

13 (d) *PLANNING GRANTS.—Section 204 (42 U.S.C. 3144)*
14 *is further amended by adding at the end the following:*

15 “(d) *PLANNING GRANTS.—Notwithstanding subsection*
16 *(a), the Federal share of the costs of planning activities*
17 *under section 203 shall be at least 65 percent and not more*
18 *than 80 percent.”.*

19 **SEC. 203. SUPPLEMENTARY GRANTS.**

20 (a) *IN GENERAL.—Section 205(b) (42 U.S.C. 3145(b))*
21 *is amended to read as follows:*

22 “(b) *SUPPLEMENTARY GRANTS.—Subject to subsection*
23 *(c), in order to assist eligible recipients in taking advantage*
24 *of designated Federal grant programs, on the application*
25 *of an eligible recipient, the Secretary may make a supple-*

1 *mentary grant for a project for which the recipient is eligi-*
 2 *ble but for which the recipient cannot provide the required*
 3 *non-Federal share because of the recipient's economic situa-*
 4 *tion.”.*

5 *(b) REQUIREMENTS APPLICABLE TO SUPPLEMENTARY*
 6 *GRANTS.—Section 205(c) (42 U.S.C. 3145(c)) is amend-*
 7 *ed—*

8 *(1) by striking paragraphs (1) and (2) and in-*
 9 *serting the following:*

10 *“(1) AMOUNT OF SUPPLEMENTARY GRANTS.—*
 11 *The share of the project cost supported by a supple-*
 12 *mentary grant under this section may not exceed the*
 13 *applicable Federal share under section 204.*

14 *“(2) FORM OF SUPPLEMENTARY GRANTS.—The*
 15 *Secretary shall make supplementary grants by—*

16 *“(A) the payment of funds made available*
 17 *under this Act to the heads of the Federal agen-*
 18 *cies responsible for carrying out the applicable*
 19 *Federal programs; or*

20 *“(B) the award of funds under this Act,*
 21 *which will be combined with funds transferred*
 22 *from other Federal agencies in projects adminis-*
 23 *tered by the Secretary.”; and*

24 *(2) by striking paragraph (4).*

1 **SEC. 204. REGULATIONS ON RELATIVE NEEDS AND ALLOCA-**
 2 **TIONS.**

3 *Section 206 (42 U.S.C. 3146) is amended—*

4 *(1) by striking “and” at the end of paragraph*
 5 *(1)(B);*

6 *(2) by striking the period at the end of para-*
 7 *graph (2) and inserting “; and”; and*

8 *(3) by adding at the end the following:*

9 *“(3) grants made under this title promote job*
 10 *creation and will have a high probability of meeting*
 11 *or exceeding applicable performance requirements es-*
 12 *tablished in connection with the grants.”.*

13 **SEC. 205. GRANTS FOR TRAINING, RESEARCH, AND TECH-**
 14 **NICAL ASSISTANCE.**

15 *(a) IN GENERAL.—Section 207(a)(2) (42 U.S.C.*
 16 *3147(a)(2)) is amended—*

17 *(1) by striking “and” at the end of subpara-*
 18 *graph (F);*

19 *(2) by redesignating subparagraph (G) as sub-*
 20 *paragraph (H); and*

21 *(3) by inserting after subparagraph (F) the fol-*
 22 *lowing:*

23 *“(G) studies that evaluate the effectiveness*
 24 *of coordinating projects funded under this Act*
 25 *with projects funded under other Acts; and”.*

1 (b) *COOPERATION REQUIREMENT.*—Section 207(a) (42
 2 U.S.C. 3147(a)) is amended by adding at the end the fol-
 3 lowing:

4 “(4) *COOPERATION REQUIREMENT.*—In the case
 5 of a project assisted under this section that is na-
 6 tional or regional in scope, the Secretary may waive
 7 the provision in section 3(4)(A)(vi) requiring a non-
 8 profit organization or association to act in coopera-
 9 tion with officials of a political subdivision of a
 10 State.”.

11 **SEC. 206. PREVENTION OF UNFAIR COMPETITION.**

12 Section 208 (42 U.S.C. 3148), and the item relating
 13 to section 208 in the table of contents contained in section
 14 1(b), are repealed.

15 **SEC. 207. GRANTS FOR ECONOMIC ADJUSTMENT.**

16 (a) *DIRECT EXPENDITURE OR REDISTRIBUTION BY*
 17 *RECIPIENT.*—Section 209(d) (42 U.S.C. 3149(d)) is amend-
 18 ed by striking “an eligible recipient” each place it appears
 19 and inserting “a recipient”.

20 (b) *SPECIAL PROVISIONS RELATING TO REVOLVING*
 21 *LOAN FUND GRANTS.*—Section 209 (42 U.S.C. 3149) is
 22 amended by adding at the end the following:

23 “(e) *SPECIAL PROVISIONS RELATING TO REVOLVING*
 24 *LOAN FUND GRANTS.*—

1 “(1) *IN GENERAL.*—*The Secretary shall issue*
2 *regulations to maintain the proper operation and fi-*
3 *nancial integrity of revolving loan funds established*
4 *by recipients with assistance under this section.*

5 “(2) *EFFICIENT ADMINISTRATION.*—*The Sec-*
6 *retary may—*

7 “(A) *at the request of a grantee, amend and*
8 *consolidate grant agreements governing revolving*
9 *loan funds to provide flexibility with respect to*
10 *lending areas and borrower criteria;*

11 “(B) *assign or transfer assets of a revolving*
12 *loan fund to a third party for the purpose of liq-*
13 *uidation, and a third party may retain assets of*
14 *the fund to defray costs related to liquidation;*
15 *and*

16 “(C) *take such actions as are appropriate to*
17 *enable revolving loan fund operators to sell or*
18 *securitize loans (except that the actions may not*
19 *include issuance of a Federal guaranty by the*
20 *Secretary).*

21 “(3) *TREATMENT OF ACTIONS.*—*An action taken*
22 *by the Secretary under this subsection with respect to*
23 *a revolving loan fund shall not constitute a new obli-*
24 *gation if all grant funds associated with the original*
25 *grant award have been disbursed to the recipient.”.*

1 **SEC. 208. USE OF FUNDS IN PROJECTS CONSTRUCTED**
2 **UNDER PROJECTED COST.**

3 *Section 211 (42 U.S.C. 3151) is amended to read as*
4 *follows:*

5 **“SEC. 211. USE OF FUNDS IN PROJECTS CONSTRUCTED**
6 **UNDER PROJECTED COST.**

7 *“(a) IN GENERAL.—In the case of a grant to a recipi-*
8 *ent for a construction project under section 201 or 209, if*
9 *the Secretary determines, before closeout of the project, that*
10 *the cost of the project, based on the designs and specifica-*
11 *tions that were the basis of the grant, has decreased because*
12 *of decreases in costs, the Secretary may approve, without*
13 *further appropriations action, the use of the excess funds*
14 *(or a portion of the excess funds) by the recipient to increase*
15 *the Federal share of the cost of a project under this title*
16 *to the maximum percentage allowable under section 204 or*
17 *to improve the project.*

18 *“(b) OTHER USES OF EXCESS FUNDS.—Any amount*
19 *of excess funds remaining after application of subsection (a)*
20 *may be used by the Secretary for providing assistance under*
21 *this Act.*

22 *“(c) TRANSFERRED FUNDS.—In the case of excess*
23 *funds described in subsection (a) in projects utilizing funds*
24 *transferred from other Federal agencies pursuant to section*
25 *604, the Secretary shall—*

1 “(1) *utilize the funds in accordance with sub-*
 2 *section (a), with the approval of the originating agen-*
 3 *cy; or*

4 “(2) *return the funds to the originating agen-*
 5 *cy.*”.

6 **SEC. 209. SPECIAL IMPACT AREAS.**

7 (a) *IN GENERAL.*—Title II (42 U.S.C. 3141 *et seq.*)
 8 *is amended by adding at the end the following:*

9 **“SEC. 214. SPECIAL IMPACT AREAS.**

10 “(a) *IN GENERAL.*—On the application of an eligible
 11 *recipient, the Secretary may determine that the recipient*
 12 *is unable to comply with the requirements of section 302*
 13 *and designate the area represented by the recipient as a*
 14 *special impact area.*

15 “(b) *WAIVERS.*—Subject to the requirements of this sec-
 16 *tion, the Secretary may waive, in whole or in part, as ap-*
 17 *propriate, the requirements of section 302 with respect to*
 18 *a special impact area designated under subsection (a) if*
 19 *the Secretary determines that the waiver will carry out the*
 20 *purposes of the Act.*

21 “(c) *NOTIFICATION REQUIREMENT.*—At least 30 days
 22 *before issuing a waiver under this section, the Secretary*
 23 *shall transmit to the Committee on Transportation and In-*
 24 *frastructure of the House of Representatives and the Com-*
 25 *mittee on Environment and Public Works of the Senate a*

1 *written notice of the waiver, including a justification for*
 2 *the waiver.”.*

3 (b) *CONFORMING AMENDMENT.—The table of contents*
 4 *contained in section 1(b) is amended by inserting after the*
 5 *item relating to section 213 the following:*

“Sec. 214. Special impact areas.”.

6 **SEC. 210. PERFORMANCE AWARDS.**

7 (a) *IN GENERAL.—Title II (42 U.S.C. 3141 et seq.)*
 8 *is further amended by adding at the end the following:*

9 **“SEC. 215. PERFORMANCE AWARDS.**

10 *“(a) IN GENERAL.—The Secretary may make a per-*
 11 *formance award in connection with a grant made, on or*
 12 *after the date of enactment of this section, to an eligible*
 13 *recipient for a project under section 201 or 209.*

14 *“(b) PERFORMANCE MEASURES.—*

15 *“(1) REGULATIONS.—The Secretary shall issue*
 16 *regulations to establish performance measures for*
 17 *making performance awards under subsection (a).*

18 *“(2) CONSIDERATIONS.—In issuing regulations*
 19 *under paragraph (1), the Secretary shall consider in-*
 20 *cluding performance measures that assess the fol-*
 21 *lowing factors:*

22 *“(A) Whether the recipient meets or exceeds*
 23 *scheduling goals.*

24 *“(B) Whether the recipient meets or exceeds*
 25 *job creation goals.*

1 “(C) *Amounts of private sector capital in-*
2 *vestments leveraged.*

3 “(D) *Such other factors as the Secretary de-*
4 *termines appropriate.*

5 “(c) *AMOUNT OF AWARDS.—*

6 “(1) *IN GENERAL.—The Secretary shall base the*
7 *amount of a performance award made under sub-*
8 *section (a) in connection with a grant on the extent*
9 *to which a recipient meets or exceeds performance*
10 *measures established in connection with the grant.*

11 “(2) *MAXIMUM AMOUNT.—The amount of a per-*
12 *formance award may not exceed 10 percent of the*
13 *amount of the grant.*

14 “(d) *USE OF AWARDS.—A recipient of a performance*
15 *award under subsection (a) may use the award for any eli-*
16 *gible purpose under this Act, in accordance with section 602*
17 *and such regulations as the Secretary may prescribe.*

18 “(e) *FEDERAL SHARE.—Notwithstanding section 204,*
19 *the amounts of a performance award may be used for up*
20 *to 100 percent of the cost of an eligible project or activity.*

21 “(f) *TREATMENT IN MEETING NON-FEDERAL SHARE*
22 *REQUIREMENTS.—For the purposes of meeting the non-Fed-*
23 *eral share requirements of this Act, or any other Act, the*
24 *amounts of a performance award shall be treated as funds*
25 *from a non-Federal source.*

1 “(g) *TERMS AND CONDITIONS.*— *In making perform-*
2 *ance awards under subsection (a), the Secretary shall estab-*
3 *lish such terms and conditions as the Secretary considers*
4 *appropriate.*

5 “(h) *FUNDING.*—*The Secretary shall carry out this sec-*
6 *tion using any amounts made available for economic devel-*
7 *opment assistance programs.*

8 “(i) *REPORTING REQUIREMENT.*—*The Secretary shall*
9 *include information regarding performance awards made*
10 *under this section in the annual report required under sec-*
11 *tion 603.*

12 “(j) *REVIEW BY COMPTROLLER GENERAL.*—

13 “(1) *REVIEW.*—*The Comptroller General shall*
14 *review the implementation of this section in each fis-*
15 *cal year.*

16 “(2) *ANNUAL REPORT.*—*Not later than one year*
17 *after the date of enactment of this section, and annu-*
18 *ally thereafter, the Comptroller General shall transmit*
19 *to the Committee on Transportation and Infrastruc-*
20 *ture of the House of Representatives and the Com-*
21 *mittee on Environment and Public Works of the Sen-*
22 *ate a report on the Comptroller’s findings under this*
23 *subsection.”.*

1 (b) *CONFORMING AMENDMENT.*—*The table of contents*
 2 *contained in section 1(b) is amended by inserting after the*
 3 *item relating to section 214 the following:*

 “*Sec. 215. Performance awards.*”.

4 **SEC. 211. PLANNING PERFORMANCE AWARDS.**

5 (a) *IN GENERAL.*—*Title II (42 U.S.C. 3141 et seq.)*
 6 *is further amended by adding at the end the following:*

7 **“SEC. 216. PLANNING PERFORMANCE AWARDS.**

8 “(a) *IN GENERAL.*—*The Secretary may make a plan-*
 9 *ning performance award in connection with a grant made,*
 10 *on or after the date of enactment of this section, to an eligi-*
 11 *ble recipient for a project under this title located in an eco-*
 12 *nomie development district.*

13 “(b) *ELIGIBILITY.*—*The Secretary may make a plan-*
 14 *ning performance award to an eligible recipient under sub-*
 15 *section (a) in connection with a grant for a project if the*
 16 *Secretary determines before closeout of the project that—*

17 “(1) *the recipient actively participated in the*
 18 *economic development activities of the economic devel-*
 19 *opment district in which the project is located;*

20 “(2) *the project is consistent with the comprehen-*
 21 *sive economic development strategy of the district;*

22 “(3) *the recipient worked with Federal, State,*
 23 *and local economic development entities throughout*
 24 *the development of the project; and*

1 “(4) the project was completed in accordance
2 with the comprehensive economic development strat-
3 egy of the district.

4 “(c) *MAXIMUM AMOUNT.*—The amount of a planning
5 performance award made under subsection (a) in connec-
6 tion with a grant may not exceed 5 percent of the amount
7 of the grant.

8 “(d) *USE OF AWARDS.*—A recipient of a planning per-
9 formance award under subsection (a) shall use the award
10 to increase the Federal share of the cost of a project under
11 this title.

12 “(e) *FEDERAL SHARE.*—Notwithstanding section 204,
13 the amounts of a planning performance award may be used
14 for up to 100 percent of the cost of a project under this
15 title.

16 “(f) *FUNDING.*—The Secretary shall carry out this sec-
17 tion using any amounts made available for economic devel-
18 opment assistance programs.”.

19 (b) *CONFORMING AMENDMENT.*—The table of contents
20 contained in section 1(b) is amended by inserting after the
21 item relating to section 215 the following:

 “Sec. 216. Planning performance awards.”.

22 **SEC. 212. SUBGRANTS.**

23 (a) *IN GENERAL.*—Title II (42 U.S.C. 3141 et seq.)
24 is further amended by adding at the end the following:

1 **“SEC. 217. SUBGRANTS.**

2 “(a) *IN GENERAL.*—Subject to subsection (b), a recipi-
 3 ent of a grant under section 201, 203, or 207 may directly
 4 expend the grant funds or may redistribute the funds in
 5 the form of a subgrant to other eligible recipients to fund
 6 required components of the scope of work approved for the
 7 project.

8 “(b) *LIMITATION.*—A recipient may not redistribute
 9 grant funds received under section 201 or 203 to a for-profit
 10 entity.”.

11 (b) *CONFORMING AMENDMENT.*—The table of contents
 12 contained in section 1(b) is amended by inserting after the
 13 item relating to section 216 the following:

“Sec. 217. Subgrants.”.

14 **SEC. 213. BROWNFIELDS REDEVELOPMENT.**

15 (a) *IN GENERAL.*—Title II (42 U.S.C. 3141 et seq.)
 16 is further amended by adding at the end the following:

17 **“SEC. 218. BROWNFIELDS REDEVELOPMENT.**

18 “(a) *IN GENERAL.*—On the application of a qualified
 19 eligible recipient, the Secretary may make grants under sec-
 20 tions 201, 203, 207, and 209 for projects to expand, rede-
 21 velop, or reuse brownfield sites.

22 “(b) *LIMITATIONS.*—Projects carried out under this
 23 section shall be subject to the limitations of section
 24 104(k)(4)(B) of the Comprehensive Environmental Re-

1 sponse, Compensation, and Liability Act of 1980 (42 U.S.C.
2 9604(k)(4)(B)).

3 “(c) *DEFINITIONS.*—*In this section, the following defi-*
4 *initions apply:*

5 “(1) *BROWNFIELD SITE.*—*The term ‘brownfield*
6 *site’ has the meaning given such term in section*
7 *101(39) of the Comprehensive Environmental Re-*
8 *sponse, Compensation, and Liability Act of 1980 (42*
9 *U.S.C. 9601(39)).*

10 “(2) *QUALIFIED ELIGIBLE RECIPIENT.*—*The*
11 *term ‘qualified eligible recipient’ means an eligible re-*
12 *cipient that meets the definition of ‘eligible entity’ in*
13 *section 104(k)(1) of the Comprehensive Environ-*
14 *mental Response, Compensation, and Liability Act of*
15 *1980 (42 U.S.C. 9604(k)(1)); except that for any*
16 *project undertaken under this section the term may*
17 *include a nonprofit organization acting in coopera-*
18 *tion with officials of a political subdivision of a*
19 *State.”.*

20 (b) *CONFORMING AMENDMENT.*—*The table of contents*
21 *contained in section 1(b) is amended by inserting after the*
22 *item relating to section 217 the following:*

“Sec. 218. *Brownfields redevelopment.*”.

23 **SEC. 214. BRIGHTFIELDS DEMONSTRATION PROGRAM.**

24 (a) *IN GENERAL.*—*Title II (42 U.S.C. 3141 et seq.)*
25 *is further amended by adding at the end the following:*

1 **“SEC. 219. BRIGHTFIELDS DEMONSTRATION PROGRAM.**

2 “(a) *IN GENERAL.*—On the application of a qualified
3 eligible recipient, the Secretary may make a grant for a
4 project for the development of brightfield sites if the Sec-
5 retary determines that the project will—

6 “(1) *utilize solar energy technologies to develop*
7 *abandoned or contaminated sites for commercial use;*
8 *and*

9 “(2) *improve the commercial and economic op-*
10 *portunities in the area where the project is located.*

11 “(b) *LIMITATIONS.*—Projects carried out under this
12 section shall be subject to the limitations of section
13 104(k)(4)(B) of the Comprehensive Environmental Re-
14 sponse, Compensation, and Liability Act of 1980 (42 U.S.C.
15 9604(k)(4)(B)).

16 “(c) *DEFINITIONS.*—In this section, the following defi-
17 nitions apply:

18 “(1) *BRIGHTFIELD SITE.*—The term ‘brightfield
19 site’ means a brownfield site (as defined in section
20 217) that is redeveloped through the incorporation of
21 solar energy technologies.

22 “(2) *QUALIFIED ELIGIBLE RECIPIENT.*—The
23 term ‘qualified eligible recipient’ has the meaning
24 given such term in section 217; except that for any
25 project undertaken under this section the term may
26 include a nonprofit organization acting in coopera-

1 *tion with officials of a political subdivision of a*
 2 *State.*

3 “(d) *AUTHORIZATION OF APPROPRIATIONS.—There is*
 4 *authorized to be appropriated to carry out this section*
 5 *\$5,000,000 for each of fiscal years 2004 through 2008. Such*
 6 *sums shall remain available until expended.”.*

7 (b) *CONFORMING AMENDMENT.—The table of contents*
 8 *contained in section 1(b) is amended by inserting after the*
 9 *item relating to section 218 the following:*

“Sec. 219. Brightfields demonstration program.”.

10 ***TITLE III—COMPREHENSIVE***
 11 ***ECONOMIC DEVELOPMENT***
 12 ***STRATEGIES***

13 ***SEC. 301. COMPREHENSIVE ECONOMIC DEVELOPMENT***
 14 ***STRATEGIES.***

15 (a) *IN GENERAL.—Section 302(a)(3)(A) (42 U.S.C.*
 16 *3162(a)(3)(A)) is amended by inserting “maximizes effec-*
 17 *tive development and use of the workforce consistent with*
 18 *any applicable State or local workforce investment strat-*
 19 *egy,” after “access,”.*

20 (b) *APPROVAL OF OTHER PLAN.—Section 302(c) (42*
 21 *U.S.C. 3162(c)) is amended by adding at the end the fol-*
 22 *lowing: “To the maximum extent practicable, a plan sub-*
 23 *mitted under this paragraph shall be consistent and coordi-*
 24 *nated with any existing comprehensive economic develop-*
 25 *ment strategy for the area.”.*

**TITLE IV—ECONOMIC
DEVELOPMENT DISTRICTS**

SEC. 401. INCENTIVES.

Section 403 (42 U.S.C. 3173), and the item relating to section 403 in the table of contents contained in section 1(b), are repealed.

SEC. 402. PROVISION OF COMPREHENSIVE ECONOMIC DEVELOPMENT STRATEGIES TO REGIONAL COMMISSIONS.

(a) IN GENERAL.—Section 404 (42 U.S.C. 3174) is amended to read as follows:

“SEC. 404. PROVISION OF COMPREHENSIVE ECONOMIC DEVELOPMENT STRATEGIES TO REGIONAL COMMISSIONS.

“If any part of an economic development district is in a region covered by one or more of the Regional Commissions (as defined in section 3), the economic development district shall ensure that a copy of the comprehensive economic development strategy of the district is provided to the affected Regional Commission.”.

(b) CONFORMING AMENDMENT.—The table of contents contained in section 1(b) is amended by striking the item relating to section 404 and inserting the following:

“Sec. 404. Provision of comprehensive economic development strategies to Regional Commissions.”.

1 ***TITLE V—ADMINISTRATION***

2 ***SEC. 501. ECONOMIC DEVELOPMENT INFORMATION CLEAR-***
3 ***INGHOUSE.***

4 *Section 502 (42 U.S.C. 3192) is amended—*

5 *(1) by striking paragraph (1) and inserting the*
6 *following:*

7 *“(1) maintain a central information clearing-*
8 *house on the Internet with—*

9 *“(A) information on economic development,*
10 *economic adjustment, disaster recovery, defense*
11 *conversion, and trade adjustment programs and*
12 *activities of the Federal Government;*

13 *“(B) links to State economic development*
14 *organizations; and*

15 *“(C) links to other appropriate economic de-*
16 *velopment resources;”;*

17 *(2) by striking paragraph (2) and inserting the*
18 *following:*

19 *“(2) assist potential and actual applicants for*
20 *economic development, economic adjustment, disaster*
21 *recovery, defense conversion, and trade adjustment as-*
22 *sistance under Federal and State laws in locating*
23 *and applying for the assistance;”;*

24 *(3) by striking the period at the end of para-*
25 *graph (3) and inserting “; and”; and*

1 (4) *by adding at the end the following:*

2 “*(4) obtain appropriate information from other*
3 *Federal agencies needed to carry out the duties under*
4 *this Act.*”.

5 **SEC. 502. BUSINESSES DESIRING FEDERAL CONTRACTS.**

6 *Section 505 (42 U.S.C. 3195), and the item relating*
7 *to section 505 in the table of contents contained in section*
8 *1(b), are repealed.*

9 **SEC. 503. PERFORMANCE EVALUATIONS OF GRANT RECIPI-**
10 **ENTS.**

11 *Section 506(c) (42 U.S.C. 3196(c)) is amended by*
12 *striking “after the effective date of the Economic Develop-*
13 *ment Administration Reform Act of 1998”.*

14 **SEC. 504. CONFORMING AMENDMENTS.**

15 (a) *STANDARDS.*—*Section 602 (42 U.S.C. 3212) is*
16 *amended—*

17 (1) *in the first sentence by striking “in accord-*
18 *ance with” and all that follows before the period at*
19 *the end and inserting “in accordance with subchapter*
20 *IV of chapter 31 of title 40, United States Code”; and*

21 (2) *in the third sentence by striking “section 2*
22 *of the Act of June 13, 1934, as amended (40 U.S.C.*
23 *276c)” and inserting “section 3145 of title 40, United*
24 *States Code”.*

1 (b) *EVALUATION CRITERIA*.—Section 506(d)(2) (42
 2 U.S.C. 3196(d)(2)) is amended by inserting “program per-
 3 formance,” after “applied research,”.

4 ***TITLE VI—MISCELLANEOUS***

5 ***SEC. 601. RELATIONSHIP TO ASSISTANCE UNDER OTHER*** 6 ***LAW.***

7 Section 609 (42 U.S.C. 3219) is amended—

8 (1) by striking subsection (a); and

9 (2) by striking “(b) *ASSISTANCE UNDER OTHER*
 10 *ACTS.*—”.

11 ***SEC. 602. SENSE OF CONGRESS REGARDING ECONOMIC DE-*** 12 ***VELOPMENT REPRESENTATIVES.***

13 (a) *FINDINGS*.—Congress finds the following:

14 (1) *Planning and coordination among Federal*
 15 *agencies, State and local governments, Indian tribes,*
 16 *and economic development districts is vital to the suc-*
 17 *cess of an economic development program.*

18 (2) *Economic Development Representatives of the*
 19 *Economic Development Administration provide dis-*
 20 *tressed communities with the technical assistance nec-*
 21 *essary to foster this planning and coordination.*

22 (3) *In the past five years, the number of Eco-*
 23 *nomic Development Representatives has declined by*
 24 *almost 25 percent.*

1 (b) *SENSE OF CONGRESS.—It is the sense of Congress*
 2 *that the Secretary should maintain a sufficient number of*
 3 *Economic Development Representatives to ensure that the*
 4 *Economic Development Administration is able to provide*
 5 *effective assistance to distressed communities and foster eco-*
 6 *nomie growth and development among the States.*

7 ***TITLE VII—FUNDING***

8 ***SEC. 701. AUTHORIZATION OF APPROPRIATIONS.***

9 Section 701 (42 U.S.C. 3231) is amended to read as
 10 follows:

11 ***“SEC. 701. GENERAL AUTHORIZATION OF APPROPRIATIONS.***

12 “(a) *ECONOMIC DEVELOPMENT ASSISTANCE PRO-*
 13 *GRAMS.—There are authorized to be appropriated for eco-*
 14 *nomie development assistance programs to carry out this*
 15 *Act—*

16 “(1) \$400,000,000 for fiscal year 2004;

17 “(2) \$425,000,000 for fiscal year 2005;

18 “(3) \$450,000,000 for fiscal year 2006;

19 “(4) \$475,000,000 for fiscal year 2007; and

20 “(5) \$500,000,000 for fiscal year 2008.

21 *Such sums shall remain available until expended.*

22 “(b) *SALARIES AND EXPENSES.—There are authorized*
 23 *to be appropriated for salaries and expenses of admin-*
 24 *istering this Act \$33,377,000 for fiscal year 2004 and such*

- 1 *sums as may be necessary for each fiscal year thereafter.*
- 2 *Such sums shall remain available until expended.”.*

Union Calendar No. 137

108TH CONGRESS
1ST SESSION

H. R. 2535

[Report No. 108-242, Part I]

A BILL

To reauthorize and improve the program authorized
by the Public Works and Economic Development
Act of 1965.

SEPTEMBER 2, 2003

Committee on Financial Services discharged; committed
to the Committee of the Whole House on the State of
the Union and ordered to be printed